

# TEXT OF POWER COMPANY'S REPLY TO THE CITY COUNCIL

## Corporation Declines to Accept Suggestions of Arbitration and Refuses to Reinstate Former Employees at Wages in Effect Prior to January 15.

January 25, 1922.

To the Council of the City of Richmond, Va.  
Gentlemen:—This company received on the afternoon of January 23, from the City Clerk, a copy of the resolutions adopted by the Council on the same day. The resolutions, in terms, advise this company of the Council's approval and support of the following propositions:

"1. The 6-cent fare shall remain as provided in the present ordinance."

"2. (a) The elimination of jitney competition on streets traversed by the Virginia Railway and Power Company, except where jitney routes intersect with street car lines, and on free bridges and approaches thereto, and further, on the streets between Park Avenue and Franklin Street, or any other portion of a street which it may be determined by the Council to designate in the re-routing of jitneys."

"(b) The right is reserved to the Council, however, in time of strike or other emergency to authorize a temporary operation on said streets with any form of transportation found necessary."

"3. That the application of the Virginia Railway and Power Company for a motor bus line shall be taken up by the Committee on Streets immediately and disposed of."

"4. That the employees of the Virginia Railway and Power Company be reinstated without discrimination to their seniority and working agreement as of December 1, 1921, and that the wage scale of said date be continued pending the award of a new schedule of wages after arbitration, the arbitrators to be selected in manner and form as agreed upon by the company and the employees."

"5. In the event the Virginia Railway and Power Company shall fail to recognize the fairness of the foregoing propositions and shall refuse to accept the same within forty-eight hours after due receipt of the notice thereof from the Council of the City of Richmond will forthwith proceed to repeal the ordinance allowing the company to charge a 6-cent rate of fare and require them to operate under the provisions of their original franchise, and further, that the Council will provide other and adequate means of transportation for the people of the City of Richmond on as permanent a basis as possible."

**Service Seriously Impaired.**  
This action of the Council, it is to be assumed, was for the purpose of providing for a settlement of the differences between the company and its employees, which have seriously impaired, and are now interfering with, the normal operation of normal transportation service."

"To decide whether the proposals of the Council of the City of Richmond offer any correct and proper basis of adjustment, we must briefly take account of the present conditions and causes which have produced them. The Board of Directors of this company, after full and careful consideration, at its meeting in November last, reached the conclusion that, pursuant to recommendation of its responsible operating officers of this company, there should be a substantial reduction in the scale of wages paid the men engaged in street railway service."

"Since 1916, during the period of increasing industrial as well as living costs, this company had increased the wages of its employees seven times. Since that time, however, there had been no reduction in the wage scale. It had been the hope of the officers of this company, in view of the action on the part of this company in increasing wages in time of increasing living costs, notwithstanding its financial stress and the necessary withholding of dividends to its shareholders, that when there was an abatement and reduction in living costs, the men would, by voluntary act, show their appreciation and make, at least without complaint, some reduction from the high wage scale to which seven increases of the company had carried it."

**Cites Other Corporations.**  
"At the conference in October with the employees of this company, this matter was presented to their representatives, but on concession was suggested. During the period following, a general industrial depression throughout the country was making itself seriously felt in the territory in which this company operates, resulting in a steady and increasing reduction in revenue. The effect of this industrial depression in part, upon the earnings of this company may be, to some extent, understood and realized from the fact that from July 1 to December 31, 1921, there was a reduction in the number of passengers carried in the city of Richmond of 2,215,863. While the depression has been accentuated in the last few months, it has been continuous during the past year and as a result, few, if any, industries have not made effective economies, including drastic cuts in wages. Richmond has been no exception. The largest industries in the city of Richmond have, months previous to the action of this company, made reductions in wages. Many of the industries have suspended entirely; others have worked on part time with reduced wages. We think we may safely say that this company was one of the last industries in the city to make any reduction in wages, and we think we may further say that

partial justice. However, it must be assumed that the Council acted justly then, and the conditions which make their actions right and just then continue today. The continuance of the 6-cent fare would not add to the revenue of this company so as to enable it to make good the deficits which have accrued under this rate of fare. This offered concession, therefore, presents no relief to the conditions which have made necessary a reduction in wages."

The second proposition is the elimination of jitneys."

The Federal Electric Railway Commission in its report to the President Wilson, declared "that street railway service and jitney service cannot permanently exist and pay each other under any reasonable conditions. This seems to be well established by experience and by the conditions inherent in local transportation service."

"This seems to be entirely overlooked by the Council in its dealings with the transportation problem in this city, though, in most cities of the United States, the principle has been recognized and acted upon, the regulation and control and substantial exclusion of jitney or bus service. If the elimination of jitney competition on streets traversed by the Virginia Railway and Power Company is not in the public interest, we respectfully say that it should be enforced regardless of the fact that it may cause to the loss of the Virginia Railway and Power Company."

**Wants Motor Bus Line.**  
The third proposition is that the application of this company for a motor bus line shall be taken up by the Committee on Streets immediately and disposed of. What disposition is to be made, is not indicated, and this proposition can hardly be accepted as holding out to this company any relief or revenue with which to pay wages, and make good deficits already accrued."

"These are the promises held out to this company in consideration of the fact that the Council demands reinstatement of all employees at old wages and an arbitration of wages. This company cannot consider reinstatement of former employees who abandoned their posts of duty on the night of January 15. To do this would require the company to disburse from its service 150 men in Richmond alone, who were in good faith, entered the service of this company at a trying time, and would compel a disturbance in the positions of those who have remained faithful in the performance of their duties. This company, from its standpoint, would not consider such action just or honorable, and under no conditions will it consent to displace the faithful and efficient men who are now laboring to perform public service and meet the demands of the Council that transportation service shall be restored."

"As we advised you, in response to your joint resolution of January 15, this company cannot submit to arbitration the question of wages to be paid to its employees, unless the plan for arbitration would include clear and definite provisions, with due authority of law, that the company shall be assured the ability to meet the just obligations of the street car service, including wages which may be proposed."

**Says Fare Here Smallest.**  
Your Honorable Body threatens to adjust the wages of the employees of this company to perform its transportation service upon a basis of men is secured, such former employees as might apply for work on the basis of 35 cents an hour, they being experienced carmen, and will give preference to old employees in filling vacancies caused by resignation of employees and extensions of service. Employees operating safety cars will receive 5 cents per hour additional wage."

"3. This company cannot agree to consider the matter of arbitration with any one except the company's own employees, and as we have repeatedly said, we cannot submit the matter of outgo in wages or other payments to arbitration except when coupled with conditions which will help to provide the necessary income. The result of any arbitration to be effective as of January 15, 1922."

**Precluded Wage Arbitration.**  
All agreements heretofore made with our employees fully recognized this, and while they have provided for arbitration of rules and other regulations for service, and other matters, they have always expressly provided that the matter of wages and other questions involving operating costs should not be submitted to arbitration."

**In Need of Extensions.**  
This city is in need of adjustments and extensions of its present transportation system, which will involve large expenditures. Since the organization of this company it has been apparent to those in control that there were certain adjustments which

representative of the company, and a third member to be selected by these two in case of disagreement, and in the event that our representative and the employees' representative cannot agree as to said third member, such member shall be appointed by the judge of the Law and Equity Court, but this agreement is expressly predicated upon the following conditions:

(a) The continuance of the 6-cent fare until a new franchise is adopted satisfactory to the city of Richmond and to the company;

(b) The elimination of jitney competition on streets traversed by the cars of the Virginia Railway and Power Company, except where jitney routes intersect with street car lines and on free bridges and approaches thereto, and further, except on Laurel Street, between Park Avenue and Franklin Street, or any other portion of a street which it may be necessary for the Council to designate in the re-routing of jitneys."

**Provision for Emergency.**  
The right is reserved to the Council, in time of strike or other emergency, to authorize a temporary operation on said streets with any form of transportation found necessary."

(c) The application of the Virginia Railway and Power Company for a trackless trolley line in the West End of the city, substantially along the lines indicated in its letter to the City Council of October 3, 1921, to be taken up promptly and favorably acted upon."

In the resolution adopted by your body at its session January 15, there was the following:

Resolved: 1. That the Virginia Railway and Power Company be, and is hereby, notified that the city of

Richmond expects and will insist upon the discharge by it of all of its public duties under the franchises and ordinances of the city of Richmond and laws of Virginia."

We beg to assure you that this company, with all diligence in its power and with due regard to right, justice and public safety, is working to comply to the fullest extent with its obligation, and to restore transportation service in this city. We are satisfied that within a very short time, as a result of our efforts and co-operation of those now in our service, this will be fully accomplished. The number of cars operated is daily increasing. Today we have more than fifty cars in service, and applications already made today for employment from our old men will result in further increase."

We want your co-operation and will deplore any action by you which will tend to destroy, rather than aid, public service."

Respectfully,  
(Signed)  
THOS. S. WHEELWRIGHT,  
President.

The undersigned officers and local directors unite in this answer for the company.  
(Signed)  
COLEMAN WORTHAM,  
N. W. JACKSON,  
E. RANDOLPH WILLIAMS,  
P. SITTERLING,  
W. J. PARRISH.

**V. R. & P. DEFIES  
COUNCIL'S DEMANDS**  
(Continued From First Page.)

fully lined up. Mr. Dickerson previously filed his motion immediately after

ter the communication from the company was received and placed on the minutes. The discussion which followed the introduction of the resolution, which, upon Mr. Dickerson's motion, was taken from the hands of the Streets Committee, was engaged in by Councilmen Jones, Morton, Engle, Umlauf, Dickerson, Sullivan, Roden and President Powell."

With the exception of Councilmen Roden and Powell, the speaker declared the company had not acted in good faith with the city, after many concessions had been given it, and that, inasmuch as the company had requested an increase in fares, in order to meet the demands of the men for increased wages, now that the wages had been cut, the company should give the public the benefits of the original 5-cent fare. The two Lee Ward representatives urged caution in disposing of such an important matter."

**Land Street Car Men.**  
During the course of the discussion the street car men were "voted" for their patriotism and loyalty during the war, when they stood by their jobs with more lucrative offers held out to them. Mr. Morton said that under such conditions as those prevailing he felt impressed with the idea of municipal ownership of public utilities, although he would not insist upon permanent ownership of the street car lines."

In discussing the ordinance fixing a rate of \$2.50 for jitney tax, it was shown by the advocates that this plan was merely of a temporary nature and designed as an encouragement to the men to give the people of the city a traffic service which

would meet the present demands. The economic phase of this problem influenced the body to prefer further enlightenment through investigations by the committee."

The vote on the revocation of the 6-cent fare privilege was 15 to 4, the latter being Roden, Watkins, Carpenter and Powell, all from Lee Ward. The vote against the Jones resolution on the jitney question was 12 to 7, the latter being Watkins, Carpenter, Peters, Roden, Umlauf, Powell and Jones, the latter changing his vote in order to move reference to a committee."

**Refuses to Suspend Rules.**  
The only matter before the Board of Aldermen, which assembled immediately after the adjournment of Council was the ordinance revoking the 6-cent fare privilege. A suspension of rules being necessary to act, a vote on suspension was called, the result being: Aye—Morton, Woody, Adams, Nunnally, Workman and Winfree; no—Grady, Gust, White, Powers, Epps and Puller. Eight votes was necessary for a suspension."

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The communication of President The S. Wheelwright, of the Virginia Railway and Power Company, was supplemented with a short statement giving the conditions in Norfolk, which he said, were satisfactory to the company and the citizens."

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